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News Release

Immediate release

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DEADLINE APPROACHES FOR TRANSFERRING CANADA SAVINGS BONDS INTO RRSPs

The Department of Finance today reminded holders of Compound Interest Canada Savings Bonds (C-Bonds) that the deadline is approaching to transfer their bonds into Registered Retirement Savings Plans for the 1995 taxation year. Applications must be received by the close of business on February 29, 1996.

The Department announced in January that outstanding Compound Interest Bonds could be transferred to RRSPs, with no transfer fees or need for a self-directed plan. An information package, including an application form, was mailed to C-Bond holders in late January.

"Using current holdings of Canada Savings Bonds is one of the easiest and most painless ways to make an RRSP contribution," said Ray LaBrosse, Executive Director of the Canada Retail Debt Agency of the Department of Finance. "Bondholders can convert their existing investment in Canada Savings Bonds into a CSB-RRSP at no cost to them. But to be eligible for the 1995 taxation year, they have to complete and return the application form, making sure it reaches us by the end of the month." Receipts for contributions received after February 29 will be issued for the 1996 taxation year.

With the new transfer option, bondholders will continue to earn the attractive rates on Canada Savings Bonds. Series 42 to 49 CSBs earn a guaranteed minimum rate of 6 3/4 per cent this year and will earn 7 1/2 per cent for the year beginning November 1, 1996. The 1995 bond issue (Series 50) is earning a minimum of 5 1/4 per cent for the year beginning November 1, 1995, 6 per cent the following year and 6 3/4 per cent the year after.

Interested bondholders should call the CSB Information Service at 1-800-575-5151 for more information on this option. Requests for applications should be made by Thursday, February 22 in order to allow sufficient time for delivery and receipt of the application form by February 29, 1996.



CSB Information Service

Toll-free Number: 1-800-575-5151, Monday to Friday,
8 a.m. - 8 p.m. Eastern time

Web Site: <http://www.bank-banque-canada.ca/csb-oec>

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Press release also available on Internet
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